



# CalPERS EMPLOYER NEWS

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### On the Cover

The skyline of San Diego accented by Spring wildflowers. The City of San Diego contracts with CalPERS to participate in the California Employers' Retiree Benefit Trust (CERBT) Fund. The CERBT Fund is this issue's cover story.



## The California Employers' Retiree Benefit Trust Continues to Grow

The California Employers' Retiree Benefit Trust (CERBT) is a CalPERS trust fund program dedicated to prefunding retiree health benefits. All California public agencies and public school districts must measure and report their "other post-employment benefit" (OPEB) liabilities by law. These benefits are non-pension benefits paid to retirees—usually related to health insurance. The CERBT Program allows eligible public agencies and schools to participate in a Section 115 trust to prefund retiree health care in the same way that the agencies prefund retiree pension benefits.

### Robust Future

The CERBT Program is growing quickly and by January 2008 had 25 participating agencies, including cities, counties, county education offices, and special districts. So far, these agencies have contributed (or will soon contribute) more than \$141 million to the fund. Ten other agencies have already obtained the approval of their governing boards and are expected to join the program soon.

Since the trust was opened in March 2007, a couple of notable developments have occurred:

- AB 554 went into effect on January 1, 2008, allowing all public agencies eligible to participate in a Section 115 trust to join the CERBT, even if they have no previous affiliation with CalPERS.
- The Governor's Public Employee Post-Employment Benefits Commission released its report in early January and provided a number of recommendations. Among the recommendations, the Commission urged public agencies to adopt prefunding OPEB as policy and to identify their OPEB liability.

These developments have caused renewed interest in the CalPERS CERBT Program. We've noted a significant increase in contacts with agencies in recent weeks. In addition to the agencies that have already joined the program, more than 100 other agencies are now working toward participating in the CERBT Program.



Visit us at any of the  
23 Retirement Planning Fairs

Please see the fair schedule for  
locations and times.

We proudly feature employer  
photos in *Employer News*



E-mail images to [employer\\_services@calpers.ca.gov](mailto:employer_services@calpers.ca.gov)



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## Retirement Planning Fairs Coming Your Way

We are making it easier than ever for you and your employees to participate in our annual retirement planning fairs.

This year, we have scheduled more fairs at more locations throughout the State to make it as convenient as possible for your employees to participate—23 events in 20 cities. The fairs are scheduled from late April through early November. Please see the fair schedule to the right and inform your employees of the retirement fair in your area.

At the fairs, CalPERS members and employers can talk to CalPERS experts regarding:

- Services provided by our regional offices
- How to get a retirement benefit estimate
- How to purchase additional service credit
- CalPERS health benefits
- CalPERS member home loans
- CalPERS long-term care insurance
- The CalPERS 457 Supplemental Income Plan
- How to use CalPERS online services.

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Policy, Procedure & Compliance Unit (from left):

Lourdes Tisuela, Lynn Otani, Heidi Callahan, Jamie SooHoo, Toni Carlson

## New Unit Facilitates Services to Employers

The Employer Services Division (ERSD) frequently makes procedural changes due to legislation, Board mandates, and CalPERS-wide key projects and initiatives. As a result, ERSD has created a Policy, Procedure & Compliance Unit to ensure our Employers receive consistent and reliable assistance. The unit provides the ongoing support to equip ERSD staff with the knowledge to do their jobs quickly, accurately, and effectively. In addition to developing and maintaining policies and procedures, the unit coordinates functions of legislation, regulations, employer reviews, and compliance issues.

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## 2008 Retirement Fair Schedule of Events

City	Dates/Times	Locations
<b>Oakland</b>	<b>April 29</b> , Tuesday, 10:00 – 4:00	CSU East Bay's Oakland Center, 1000 Broadway, Oakland
<b>Santa Barbara</b>	<b>May 1</b> , Thursday, 10:00 – 3:00	Carrillo Recreation Center, 100 East Carrillo Street, Santa Barbara
	<b>May 2</b> , Friday, 9:00 – 3:00	
<b>San Jose</b>	<b>May 16</b> , Friday, 9:00 – 3:00	Santa Clara County Office of Education, 1290 Ridder Park Drive, San Jose
	<b>May 17</b> , Saturday, 9:00 – 1:00	
<b>Bakersfield</b>	<b>May 22</b> , Thursday, 10:00 – 4:00	University Square, 2000 K Street, Bakersfield
<b>El Centro</b>	<b>June 5</b> , Thursday, 10:00 – 4:00	Imperial County Office of Education, 1398 Sperber Road, El Centro
<b>Ontario</b>	<b>June 7</b> , Saturday, 9:00 – 2:30	Ontario Convention Center, 2000 E. Convention Center Way, Ontario
<b>Orange</b>	<b>July 16</b> , Wednesday, 10:00 – 4:00	Hilton Suites Anaheim, 400 North State College Blvd., Orange
<b>Monterey</b>	<b>July 18</b> , Friday, 9:00 – 4:00	Monterey Conference Center, One Portola Plaza, Monterey
<b>Stockton</b>	<b>August 8</b> , Friday, 9:00 – 3:00	San Joaquin Delta College, 5151 Pacific Ave., Stockton
<b>Chico</b>	<b>August 15</b> , Friday, 9:00 – 3:00	Chico Area Recreation & Park District, 545 Vallombrosa Ave., Chico
<b>Sacramento</b>	<b>August 22</b> , Friday, 9:00 – 3:00	Sacramento Convention Center, 1400 J Street, Sacramento
	<b>August 23</b> , Saturday, 9:00 – 3:00	
<b>San Marcos</b>	<b>September 4</b> , Thursday, 10:00 – 4:00	North County Regional Education Center, 255 Pico Ave., San Marcos
<b>Riverside</b>	<b>September 5</b> , Friday, 9:00 – 2:00	Riverside County Office of Education, 3958 12 <sup>th</sup> Street, Riverside
<b>Fresno</b>	<b>September 18</b> , Thursday, 10:00 – 4:00	Radisson Hotel (downtown), 2233 Ventura Street, Fresno
<b>Los Angeles</b>	<b>September 25</b> , Thursday, 9:00 – 3:00	CalTrans Building Los Angeles, 100 South Main Street, Los Angeles
<b>Palm Desert</b>	<b>October 18</b> , Saturday, 9:00 – 2:00	Ronald Reagan Elementary, 39800 Liberty Drive, Palm Desert
<b>Eureka</b>	<b>October 21</b> , Tuesday, 10:00 – 4:00	Humboldt Bay Aquatic Center, 921 Waterfront Drive, Eureka
<b>Arcata</b>	<b>October 22</b> , Wednesday, 10:00 – 3:00	Humboldt State University, 1 Harpst Street, Arcata
<b>Palmdale*</b>	<b>August 8</b> , Friday, 9:00 – 3:00	San Joaquin Delta College, 5151 Pacific Ave., Stockton
<b>Norwalk*</b>	<b>November 1</b> , Saturday, 9:00 – 2:00	John Glenn High School, 13520 Shoemaker Ave., Norwalk

*All dates and locations are subject to change*

*\* Schools only*

For more detailed information about the location and time of the retirement fair and the workshop schedule in your area, and to pre-register your employees for a fair, go to the CalPERS Web site at  [www.calpers.ca.gov](http://www.calpers.ca.gov) and select 2008 Retirement Planning Fairs in the For Members section.





my|CalPERS allows active and retired members to

- Maintain personal account and profile information
- Access their current health summary
- Retrieve statements
- Manage financial planning activities
- Maintain personal account and profile information.

## my|CalPERS: It's All About Choice

### The Story So Far

Since June 2007, CalPERS members have been taking advantage of my|CalPERS, a personalized, centralized, and secure Web site. The launch of this special site was a significant milestone in achieving CalPERS vision of becoming a fully integrated provider of financial and health-related services.

my|CalPERS provides access to retirement, health care, and financial information, and education for members to make the best choices for their futures. As member use of my|CalPERS increases, employers save time previously spent helping them find information or assisting them with routine tasks. Each month, we've seen approximately 10,000 new member registrations and nearly 68,000 log-in sessions.

my|CalPERS continues to grow in other ways, too, constantly evolving to meet the needs of all of its customers. In *Employer Classes Go Online* on

page 6, you'll learn in detail how the CalPERS Education Center is now better serving employers and members since the January 2008 release of my|CalPERS enhancements.

### Safe and Secure

This Spring, we're adding security features to my|CalPERS to minimize risk, improve user confidence, and protect account information. The improvements will require registered members to go through a quick security enhancement of their my|CalPERS account to enable our new security features.

These additional safeguards are consistent with industry best practices and will help ensure users are conducting business with CalPERS in a safe and secure environment.

### Help Your Employees Discover the Benefits

Remember that my|CalPERS allows active and retired members to maintain personal account and

profile information, access their current health summary, retrieve their statements, manage their financial planning activities, and maintain personal account and profile information. These benefits are being augmented with enhancements to the health summary area. We're adding new features that let members access additional details about their health benefits, including health plan rates and effective dates. They'll also have new access to view all health enrollees on their plan. They'll even be able to receive health plan alerts. Again, these new secure self-service features will save time for employees and employers alike.

To help promote my|CalPERS to your employees, be sure to access the *my|CalPERS Tool Kit* on CalPERS On-Line, under *Employer Information, Tips for Helping Your Employees*. You'll find downloadable materials to help you spread the word about my|CalPERS, including a video you can show at new employee orientations, or Web graphics you can post on your internal Web site.

# CalPERS Launches New Streamlined Financial Billing System

CalPERS recently streamlined its financial billing system in an effort to provide better service to our employers, create greater efficiencies, improve internal controls, and centralize our billing operations.

The project looked at how CalPERS bills, manages, and collects outstanding receivables from its employers, and identified needed improvements. Those improvements have been included in the new financial billing system.

## What This Means to You

Specifically, the new system includes changes to the format and frequency of financial documents such as invoices, premium invoices, and collection letters that you receive from CalPERS. The new system has been fully implemented, and employers will see changes to financial documents.

## Here's a Summary of Changes:

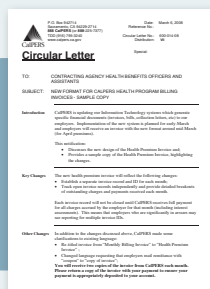
- A separate invoice record and ID will be established each month.
- Open invoice records will be tracked independently and detailed breakouts of outstanding charges and payments received each month will be provided.
- Each invoice record will not be closed until CalPERS receives full payment for all charges accrued by the employer for that month (including interest assessments). This means that employers who are significantly in arrears may see reporting for multiple invoice ID's.

- The invoice title has been changed from "Monthly Billing Invoice" to "Health Premium Invoice" for public agency and school employers paying health premiums.
- Employers are being asked to mail remittance with a "copy of the invoice" instead of the current terminology "coupon." You will receive two copies of the invoice from CalPERS each month. Please return a copy of the invoice with your payment to ensure your payment is appropriately deposited to your account.

A sample copy of the new Health Premium Invoice and an overview of our new billing system was recently mailed to employers in Circular Letter 600-014-08. We encourage you to review this information and share it with your agency's accounting staff to build awareness about the new format and to familiarize yourself with the billing invoice.

As always, you can contact us with questions about these changes at 888 CalPERS (or 888-225-7377).

A sample copy of the new Health Premium Invoice and an overview of our new billing system was recently mailed to employers in Circular Letter 600-014-08.



## New Unit

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Members of the Policy, Procedure & Compliance Unit were recruited for their specific expertise and overall commitment to the CalPERS mission. Team members include:

**Toni Carlson**, Manager. Toni joined ERSD in June 2005. Previously, she was a member of the Division Administration Unit. Toni has 19 years of State service, primarily in the Human Resources field.

**Lynn Otani**, Employer Review Liaison. Lynn has been with CalPERS since October 2006. Before that, she spent 12 years with the Department of Social Services. Lynn coordinates between ERSD and the Office of Audit Services.

**Lourdes Tisuela**, Lead Analyst. Lourdes joined CalPERS three years ago. She worked in the Benefit Services Division's Calculation and Adjustment Unit before transferring to Health Services Division's Public Agency and Schools Contracts. Lourdes is the lead analyst for coordination of ERSD Regulations and Compliance assignments.

**Heidi Callahan**, Coordinator. Heidi joined the unit in October 2007. She assists in the coordination of Employer Reviews, regulations and rulemaking, and legislation impacting ERSD.

**Jamie SooHoo**, Division Legislative Representative. Jamie is the newest member of the team. She started in March 2008 and comes to us from the California Conservation Corps.

## Employer Classes Go Online

The CalPERS Education Center (CEC) is continuing to grow and improve. Recently, we brought employer and member education into the 21st century by adding online classes for your administrative staff and your employees.

In the past, all CalPERS employer and member classes were held in classrooms with instructors. Your administrative staff and employees had to sign up and get on a waiting list for the next class in your area. Now, your staff and employees can

take traditional instructor-led classes or online classes, whichever is more convenient.

The CalPERS Education Center is a new, robust Internet-based technology system that houses all CalPERS education materials and allows your administrative staff to manage the education needs of your employees.

The CalPERS Education Center offers the following online classes for employers:


- Employer Contracts for Schools and Public Agencies
- CalPERS Membership for all employers
- The Importance of Reporting Payroll for all agencies
- The Employer's Role in Employee Benefits for all agencies
- CalPERS On-Line Tools and Resources for all agencies.

In addition to taking online classes, your agency's staff and employees can use the online CEC to:

- Enroll in instructor-led classes
- Automatically be put on a wait list if an instructor-led class is full and be notified of upcoming class availability
- Cancel or change class enrollment
- Download class materials
- View and track their education history

- Receive notifications of new classes and class openings in your area
- Make appointments for personal retirement counseling with CalPERS staff.


In addition, the CEC offers online and instructor-led classes on CalPERS benefits and services for new CalPERS members, members in mid-career, members nearing retirement, and retirees. The CEC also offers a series of instructor-led classes on financial planning for members in various stages of their career. More employer and member classes will be added in the future.

You can find the CalPERS Education Center in the *Online Services* section of CalPERS On-Line at  [www.calpers.ca.gov](http://www.calpers.ca.gov). Employer staff can access the CEC directly, but CalPERS members must register for myCalPERS to enroll in classes.

### Register for Classes Through the CalPERS Education Center

You can register for a workshop or class through the CalPERS Education Center in four easy steps:

- 1 Access the CalPERS Education Center from CalPERS On-Line at [www.calpers.ca.gov](http://www.calpers.ca.gov)
- 2 Select a Class
- 3 Enroll Yourself and Your Employees
- 4 Confirm Your Enrollment

You can find detailed instructions on the enrollment process in the *Learn More and Get Answers* section of the CalPERS Education Center at  [www.calpers.ca.gov](http://www.calpers.ca.gov). Choose *Help Guide* to learn more.



# Automated Communications Exchange System's (ACES) Enhancements

In May, we implemented exciting enhancements to the ACES Participant Inquiry (PI) screen. One enhancement added a State Alternate Retirement Program (ARP) field to help State and Non-Central agencies identify State ARP members and original ARP effective dates.

The other significant enhancement added a newly created *Membership* tab between the *Employment* and *Summary* tabs of the Participant Inquiry screen. Membership fields located in the header area were relocated to the *Membership* tab and display the following information for all employers:

- CalPERS Membership Indicator
- CalPERS Membership Effective Date.

State and Non-Central Agencies will also see the newly added fields:

- State ARP Indicator
- Original State ARP Effective Date
- State ARP months completed.

The screenshot shows the CalPERS ACES Participant Inquiry screen in a Microsoft Internet Explorer browser window. The address bar shows 'https://dev.calpers.ca.gov - CalPERS - ACES - Microsoft Internet Explorer'. The page title is '[Help Menu] [Screen Help] View Participant Information'. The 'Extract Date/Time' is '03/24/2008 05:00 AM'. There are buttons for 'Get Data', 'Clear', and 'Print Tab'. The 'Participant Inquiry' section has tabs for 'Subscriber', 'Dependent', 'Enrollment', 'Deduction', 'Employment', 'Membership', and 'Summary'. The 'Membership' tab is selected and highlighted. Below the tabs, there are fields for 'Member:', 'Membership Effective Date:', 'State ARP Member:', 'State ARP Date:', 'ARP Months Completed:', 'Prior School PERS Membership:', 'Last School Employment Date:', and 'Election:'. A callout line points to the 'Membership' tab with the text 'The newly created membership tab'.

Additional School Employer fields include:

- Prior Schools CalPERS Membership
- Last School Employment Date
- CalPERS or State Teachers Retirement System Election.


These enhancements to ACES Participant Inquiry provide easy access to useful membership information and assist you in conducting business with CalPERS.

If you have questions regarding these enhancements, please call the CalPERS Employer Contact Center at **888 CalPERS** (or 888-225-7377).

questions. Staff members are proactive at helping agencies work through the application process.

The governing body of one agency recommended joining the CERBT for the following reasons:

- 60% less expensive than the [competition's] option (\$220K vs. \$550K) in the first three years.
- Pre-packaged Board resolutions and related documentation eliminate negotiation of agreements.
- No additional administrative activity or cost as a result of the Board of Authority; CalPERS is the governing Board of the CERBT.
- 7.75% rate of return on trust assets. (This rate refers to the expected long-term investment return of the CERBT— **there is no guaranteed rate of investment return.**)

If you haven't already done so, please take a look at the *GASB 45* section under the *For Employers* tab at CalPERS On-Line at  [www.calpers.ca.gov](http://www.calpers.ca.gov). There, you will find everything you need to help you get started.

## CERBT

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The benefits of participating in the CalPERS CERBT fund are as follows:

**Simplicity** – The process to join the CERBT is administratively simple — there's no need to create and manage a trust.

**History** – The CalPERS investment office has an excellent track record of investment performance and oversight.

**Experience** – People trust CalPERS, as it has more than 75 years of experience managing public employee benefit trust funds.

**Pricing Structure** – Investment and administrative costs are charged to the trust participants. Costs are expected to total between 40 and 60 basis points.

**Professionalism** – CalPERS staffs an employer contact center, so it's easy to reach the CERBT Program staff for answers to technical

## Urgent Care Offering

The need for medical care does not always coincide with traditional business hours. That is why CalPERS health plans offer urgent care centers that provide comprehensive care members can access when the need arises.

Urgent care centers offer non-life-threatening services after normal business hours and on weekends and holidays. Urgent care centers may be the closest, most time-efficient, and most affordable option when a non-life-threatening health event occurs, such as minor cuts, ear aches, or ankle sprains. Some urgent care centers provide care on a walk-in basis, so no appointment is needed, while others schedule appointments by phone.

CalPERS health plans also offer access to 24-hour nurse advice lines. The advice lines are staffed by registered nurses who can help members decide the level of care most appropriate for their health condition.

To get more information about the urgent care benefit, and to check availability in rural areas, members should consult their plan's Evidence of Coverage booklet, go to the health plan's Web site, or call the health plan's customer/member services department.



### Anthem Blue Cross

(formerly known as Blue Cross of California)

Customer Service Department  
(877) 737-7776

24/7 Nurse Line  
(800) 700-9185

[www.anthem.com/ca/calpers](http://www.anthem.com/ca/calpers)



### Blue Shield

Member Services Department  
(800) 334-5847

Lifepath Advisers (nurse advice line)  
(866) 543-3728

[https://www.blueshieldca.com/bsc/calpers/calpers\\_welcome.jhtml](https://www.blueshieldca.com/bsc/calpers/calpers_welcome.jhtml)



### Kaiser Permanente

Member Service Call Center  
(800) 464-4000

Please refer to *Your Guidebook* for advice nurse and Plan Facility telephone numbers

<http://my.kaiserpermanente.org/ca/calpers/benefits.html>

## Retirement Planning Fairs

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We will also have experts from other organizations to provide information about:

- The State Savings Plus Program
- Social Security

- The California State Teachers' Retirement System
- The California School Employees Association
- The California State Employees Association-Retired Division
- The Retired Public Employees Association.

In addition to many information booths and exhibits, each event will also have several informational workshops. Seating is limited and available on a first-come, first-served basis, although you can reserve seating in advance after arriving at the fair.






## A Resource for Your Employees— Health Plan Chooser


Do your employees have questions about their health care options that you can't answer? CalPERS provides the **Health Plan Chooser** to help members make informed decisions about the best plan for themselves and their families. This online service allows employees to estimate the total cost of a plan; determine whether their doctor is in a plan; locate a new doctor; check how a plan scores in areas that are most important to them; and view differences among health plan features.

Direct your employees to the Health Plan Chooser at CalPERS On-Line if they:

- Want to find a new health plan during Open Enrollment
- Want to change a primary care doctor or find a new specialist
- Are a new employee and want to evaluate health plan options
- Changed marital status or moved
- Are planning for retirement and want to explore health plan options.

Encourage your employees to visit the Health Plan Chooser around the clock, year-round, at  **www.calpers.ca.gov**, by selecting *Health Benefits Program* from the "Quick Links" area of our home page, and then *Health Plan Chooser* from the "Shortcuts" menu.

Your employees are our best resource for improving the Chooser. They can let us know what they think about the Health Plan Chooser by selecting the survey link on the Chooser's *Results* page.

Encourage your employees to visit the Health Plan Chooser around the clock, year-round, at  **www.calpers.ca.gov**.

## CalPERS Health Plan Member Survey in Progress

Each year, CalPERS conducts a survey to learn about our members' experiences with their health plans. The survey responses help us identify ways to improve our health benefits program. **The 2008 survey is underway.**

On March 21st, DSS Research (our partner) sent notification letters to a random sampling of 1,100 members, 18 years or older, from each of our health plans with at least 2,000 members.

Members who received the notification letters are asked to participate in the 2008 survey. They have the option of completing the survey online or waiting for a mailed copy. **It is very important that your employees complete the survey if they were selected** — members who complete the survey provide valuable information on behalf of all CalPERS members. Please encourage your employees to respond as quickly as possible. If they do not respond, we will send multiple mailings because it is so important to learn about our members' experiences with our health plans.

CalPERS publishes results for each health plan in the annual **Prescription for Quality Health Care** booklet so that members can compare plans.



### Quick Reference Numbers for Long-Term Care:

**To Order 2008 Employer Materials**  
(800) 845-8427

**To Request a 2008 Application Kit**  
(800) 266-1050

**For Questions Regarding  
2008 Benefit Options**  
(800) 908-9119

**Member Customer Service**  
(800) 982-1775

The Member Customer Service number is dedicated for member questions regarding current coverage, billing, benefit application, and any other questions related to coverage. Applicants may also use the number to check the status of an application.

## Peace of Mind Begins with a Plan CalPERS Long-Term Care Program

The application period for CalPERS Long-Term Care Program began on April 1 and will extend through June 30, 2008. All California public employees and retirees (including non-CalPERS members), and their spouses, parents, parents-in-law, and adult siblings are eligible to apply for CalPERS long-term care coverage. All applicants must be between the ages of 18 and 79 to be eligible.

The CalPERS Long-Term Care Program pays for extended care necessary when your employees need help with basic activities such as bathing, dressing, or eating due to a chronic illness, injury, or fragility of old age. Long-term care coverage can help pay for care provided at home, in an assisted living facility, adult day care center, or in a nursing home. Having long-term care coverage gives your employees control over their assets and their care choices, as well as the peace of mind to enjoy today knowing that tomorrow is secure.

A variety of CalPERS Long-Term Care Program materials are available to help educate your employees about the importance of long-term care coverage

and the benefits offered through the CalPERS Long-Term Care Program. We can send you any of the following free employer communication materials to help you educate your employees:

- Worksite poster
- Brochures
- New-employee leaflets
- Payroll stuffers.


The **2008 Employer Kit** is also available. It provides tips for informing your employees about the CalPERS Long-Term Care Program and includes: articles for your departmental newsletters; e-mail messages to communicate with your employees; and a sample of the education materials.

## Facts about the Long-Term Care Program

Do your employees know:

- The CalPERS Long-Term Care Program has more than 170,000 members.
- The program has already paid more than \$429 million in claims.
- CalPERS offers a Return of Premium Death Benefit. With the Comprehensive and Facilities Only plans, some or all of your employees' premiums, less any benefits paid, will be returned to their spouse or their estate if they die before age 75 with coverage in force.
- CalPERS benefits are tax qualified, so any benefits your employees receive are tax-free.
- CalPERS plans offer portability. Your employees' long-term care coverage goes with them when they move, retire, change employers, or leave public employment.
- CalPERS offers an array of plans with competitive premiums and we will be here when your employees need us.

For more information about the Long-Term Care Program, go to the CalPERS Web site at

 [www.calpers.ca.gov](http://www.calpers.ca.gov).

## Consider Improving the Pre-retirement Death Benefits for Your Employees

Do you offer the "Pre-retirement Option 2W" death benefit for your retirement-aged employees? If so, you are providing peace of mind to your married employees and employees in a registered domestic partnership.

The Pre-retirement Option 2W death benefit automatically applies to all "pooled" employers and State agencies, and is available to all other public agency employers by contract amendment. (Based on current law, school employers do not have the right to contract for the Pre-retirement Option 2W allowance.) It's a great benefit for your employees for this reason: If a married/partnered member with at least five years of service credit passes away unexpectedly after age 50, their loved one may receive a monthly allowance calculated as though they retired on the date of death and elected "Option 2W." Option 2W gives the highest amount possible to the beneficiary.

If you do not contract for the "Pre-retirement Option 2W" benefit, then the standard "1957 Survivor Benefit" may apply to the surviving spouse or registered domestic partner. The standard allowance is significantly lower than the "Pre-retirement Option 2W" because it is only **half** of the highest amount the member could have received if he/she retired on the date of death. *Would you want your loved one to receive a lower benefit if something happened to you?*

The employer rate increase for this benefit is often less than one-half of 1 percent of payroll. To request a cost quote, write to:

**CalPERS**  
**Contract Maintenance Unit**  
 P.O. Box 942709  
 Sacramento, CA 94229-2709

Be sure to write that you are requesting a cost analysis for the Pre-retirement Option 2W Death Benefit and identify the member group the request is for (e.g., "miscellaneous members").

If you have questions, call  
**888 CalPERS (or 888-225-7377).**

## Important Notice

In all situations where an employee is severely injured, scheduled for major surgery, or diagnosed with a terminal illness, you should contact CalPERS for emergency retirement counseling. Call **888 CalPERS (or 888-225-7377)** so we can help during the critical time.





Photos courtesy of the California National Guard

The Legislature approved S.B. 14 to show support and appreciation to those who serve in the California National Guard by providing them with pension benefits offered to other State members.

## CalPERS Welcomes California National Guard Members

Senate Bill 14 (Chapter 355, Statutes of 2007), which went into effect on January 1, 2008, provides that officers, warrant officers, and enlisted personnel of the California National Guard shall, upon written election filed with the Board of Administration of the California Public Employees' Retirement System (CalPERS), become State members of the retirement system. These new State members will be referred to as "National Guard members."

### Showing of Support

S.B. 14 was enacted to encourage the recruitment and retention of California National Guard members. Statistics indicate that the time deployed and responsibilities for National Guard members have increased greatly over the past decade. For that reason, the Legislature approved S.B. 14 to show support and appreciation to those who serve in the California National Guard by providing them with pension benefits offered to other State members.

The California National Guard consists of approximately 20,000 voluntary enlistees who serve the State and nation in a military capacity. As part of their duties, they spend one weekend a month and two weeks per year in training and may be called upon by the Governor at any time to perform emergency services. For example, in the case of fire, earthquake, civil disturbance, or other emergency in California, the Governor may call California National Guard members to State active duty. They receive compensation for their service. S.B. 14 gives California National Guard members the opportunity to receive CalPERS

service credit for services rendered with the California National Guard.

### Retirement Formula

Under S.B. 14, National Guard members who elect CalPERS membership will receive the same retirement formula as a State miscellaneous member (2% @ 55), but will not be eligible for the higher "safety" or "industrial" retirement benefits for their National Guard service. Also, S.B. 14 gives CalPERS covered National Guard members the option to purchase their prior service credit with the California National Guard upon payment of specified contributions.

Based on the provisions of S.B. 14, the State Military Department is responsible for collecting the contributions from National Guard members and then transmitting those contributions to CalPERS, in accordance with the rules and regulations adopted by the Board. National Guard members who elect to join CalPERS are required to pay both the employee and employer share of contributions on an after-tax basis (i.e., not tax-deferred).

Additionally, S.B. 14 excludes National Guard members from certain CalPERS programs that could create additional costs for the State, such as the Golden Handshake, and service credit purchases that do not include an employer's cost. S.B. 14 also prohibits a National Guard member from receiving CalPERS health care benefits based on his or her service with the California National Guard.

For more information, please visit CalPERS Web site at

 [www.calpers.ca.gov](http://www.calpers.ca.gov).



## Are Your Employees Looking to Buy or Refinance a Home?

### Mark Yelavich, Investment Officer, shares insight into the CalPERS Member Home Loan Program

While it is a turbulent time in the mortgage industry, there is a program that seems to be a safe harbor in some very rough mortgage waters. The CalPERS Member Home Loan Program celebrated its 25th anniversary last year with over 130,000 loans originated for a volume approaching \$21 billion. The CalPERS Member Home Loan Program is a conservative loan program not significantly impacted by the mortgage crisis so prevalent in the news today.

**Mark Yelavich**, our Investment Officer who oversees the CalPERS Member Home Loan Program, recently answered some questions about the program and the key benefits for members.

**Q** **Mark, the CalPERS Member Home Loan Program seems to be a safer haven in today's mortgage market. What is the philosophy behind the program?**

The CalPERS Member Home Loan Program embraces a long-term conservative lending philosophy. CalPERS buys all loans originated under the program and currently holds \$929 million of these loans in its portfolio. Most of these loans are 15-year and 30-year Fixed Rate loans. Unlike other lenders, the CalPERS Member Home Loan Program does not offer Option ARMs, Negative Amortization loans, Stated Income loans, No Document loans, or Subprime loans.

**Q** **How has this long-term conservative lending philosophy affected the performance of CalPERS member home loans?**

In general, home loans originated under the CalPERS Member Home Loan Program have a lower default and foreclosure rate than the industry. Again, this performance is driven by our long-term conservative lending philosophy and product strategy.

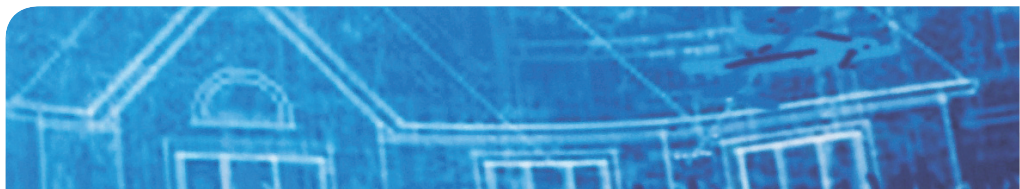
**Q** **Mark, what is your message to members looking to buy or refinance a home?**

Members should review the CalPERS Member Home Loan program, which was designed specifically for them. In addition, apart from our 25 years of security and choice, the CalPERS Member Home Loan Program offers exclusive member savings and benefits to make homeownership a reality.

For example, CalPERS works with participating lenders and title and escrow companies to negotiate member discounts and savings on closing costs, mortgage insurance, title, and escrow fees.

In addition, the CalPERS Member Home Loan Program is constantly looking out for the best interests of members. Dedicated CitiMortgage staff review and verify every CalPERS mortgage loan to ensure that participating lenders correctly calculate and apply fees and discounts.

**Mark, thanks for sharing this key information on the CalPERS Home Loan Program. It is nice to know during turbulent times members have a choice and can take advantage of valuable benefits from a mortgage loan program designed specifically for them.**



### Share the News With Your Employees



CalPERS Member Home Loan Program agency liaisons are available to provide an informative presentation to your employees about home financing options.

Call us at (800) 874-7377 to schedule a CalPERS Member Home Loan Program workshop or Webinar or to request marketing materials for your employees.



## Events of Interest

### May through August 2008

Date	Event	Location	
May	8	Health Benefits Constituent Work Group	CalPERS Headquarters 400 Q Street, Room 1140 Lincoln Plaza North, Sacramento
	12	Investment Committee	CalPERS Headquarters, Auditorium 400 Q Street, Lincoln Plaza North, Sacramento
	13	Performance and Compensation Committee	CalPERS Headquarters, Auditorium 400 Q Street, Lincoln Plaza North, Sacramento
	14	Benefits & Program Administration Committee, Health Benefits Committee	CalPERS Headquarters, Auditorium 400 Q Street, Lincoln Plaza North, Sacramento
	13–14	Employer Education Workshop on Membership & Payroll	CalPERS Regional Office, Glendale 655 North Central Avenue, Suite 1400, Glendale
	13–15	ACES Employer Training	CalPERS Regional Office, Glendale 655 North Central Avenue, Suite 1400, Glendale
	15	Board of Administration	CalPERS Headquarters, Auditorium 400 Q Street, Lincoln Plaza North, Sacramento
	16–17	CalPERS Retirement Planning Fair	Santa Clara County Office of Education 1290 Ridder Park Drive, San Jose
	20–21	Public Agency Employer Education Workshop on Disability Retirement	CalPERS Regional Office, Sacramento 400 Q Street, Room 1820 Lincoln Plaza East, Sacramento
	21	School Employer Education Workshop on Disability Retirement	CalPERS Regional Office, Sacramento 400 Q Street, Lincoln Plaza East, Sacramento
	26	Holiday — Memorial Day Observed, State Offices Closed	
June	3–5	ACES Employer Training	CalPERS Regional Office, San Jose 181 Metro Drive, Suite 520 San Jose
	5	CalPERS Retirement Planning Fair	Imperial County Office of Education 1398 Sperber Road, El Centro
	7	CalPERS Retirement Planning Fair	Ontario Convention Center 2000 E. Convention Center Way, Ontario
	12	Health Benefits Constituent Work Group	CalPERS Headquarters 400 Q Street, Room 1140 Lincoln Plaza North, Sacramento
	16	Investment Committee Investment Policy Subcommittee Performance and Compensation Committee	CalPERS Headquarters, Auditorium 400 Q Street, Lincoln Plaza North, Sacramento
	17	Benefits & Administration Committee Health Benefits Committee Finance Committee	CalPERS Headquarters, Auditorium 400 Q Street, Lincoln Plaza North, Sacramento
	17–18	Employer Education Workshop on Membership & Payroll	CalPERS Regional Office, Walnut Creek 1340 Treat Boulevard, Suite 200 Walnut Creek



The lush beauty of a Humboldt County forest.

## Employer Education & Events

CalPERS offers educational workshops to assist you in meeting retirement program requirements. Visit our Web site at  [www.calpers.ca.gov](http://www.calpers.ca.gov).

Date		Event	Location	
...June	17–19	ACES Employer Training	CalPERS Regional Office, Sacramento	400 Q Street, Room 3631 Lincoln Plaza East, Sacramento
	18	Board of Administration	CalPERS Headquarters, Auditorium	400 Q Street, Lincoln Plaza North, Sacramento
	18	Public Agency Employer Education Workshop on Disability	CalPERS Regional Office, Glendale	655 North Central Avenue, Suite 1400, Glendale
	19	School Employer Education Workshop on Disability Retirement	CalPERS Regional Office, Glendale	655 North Central Avenue, Suite 1400, Glendale
	24–26	ACES Employer Training	CalPERS Regional Office, Sacramento	400 Q Street, Room 3631 Lincoln Plaza East, Sacramento
July	4	Holiday — Independence Day, State Offices Closed		
	16	CalPERS Retirement Planning Fair	Hilton Suites Anaheim	400 North State College Blvd., Orange
	18	CalPERS Retirement Planning Fair	Monterey Conference Center	One Portola Plaza, Monterey
	23–24	Employer Education Workshop on Membership & Payroll	CalPERS Regional Office, San Jose	181 Metro Drive, Suite 520 San Jose
	28–30	Board/Executive Offsite	To Be Determined	
August	8	CalPERS Retirement Planning Fair	San Joaquin Delta College	5151 Pacific Avenue, Stockton
	14	Health Benefits Constituent Work Group	CalPERS Headquarters	400 Q Street, Lincoln Plaza North, Sacramento
	15	CalPERS Retirement Planning Fair	Chico Area Recreation & Park District	545 Vallombrosa Avenue, Chico
	18	Investment Committee Investment Policy Subcommittee Performance and Compensation Committee	CalPERS Headquarters, Auditorium	400 Q Street, Lincoln Plaza North, Sacramento
	19	Benefits & Program Administration Health Benefits Committee	CalPERS Headquarters, Auditorium	400 Q Street, Lincoln Plaza North, Sacramento
	20	Board of Administration	CalPERS Headquarters, Auditorium	400 Q Street, Lincoln Plaza North, Sacramento
	22–23	CalPERS Retirement Planning Fair	Sacramento Convention Center	1400 J Street, Sacramento
	26–27	Employer Education Workshop on Membership & Payroll	CalPERS Regional Office, Sacramento	400 Q Street, Room 3631 Lincoln Plaza East, Sacramento

Note: Meeting announcements and workshop registration information are published on our Web site and through the Circular Letter process when they become available. Meetings are subject to change.

Mark Your Calendars Now

## CalPERS Educational Forum 2008 Preparing for Tomorrow


October 27–29, 2008

Renaissance Esmeralda Resort  
44-400 Indian Wells Lane  
Indian Wells, CA 92210-8708

**Hotel Room Rate:** \$175

**Reservations:** 1-800-446-9875

**Conference Registration Fee:** \$275

Want more information? Read the next issue of *Employer News* or visit the *For Employers* area of CalPERS On-Line at  [www.calpers.ca.gov](http://www.calpers.ca.gov) and select *Employer Education and Events*. Registration materials will be available in early August.



## CalPERS EMPLOYER NEWS

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Actuarial and Employer Services Branch  
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